

SECURITY INFORMATION
CONFIDENTIAL

APR 11 5 22 PM '53

Handwritten initials: JH, RHF

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Chief of Mission,

✓ Finance Division

Administrative
Bonding of Employees

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1. Reference is made to your dispatch on the subject.

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2. As you know, the general policy is to bond all officially designated custodians. Exceptions are, however, made in instances wherein security considerations or operating conditions are such as to make this action inadvisable. In addition to officially designated custodians, consideration should always be given to bonding persons occupying positions, the primary duties of which involve the consistent and recurring custody of cash and discretion regarding the safekeeping or use thereof.

3. Ordinarily, it is not considered feasible to maintain bond coverage on persons who are charged with custody of funds as a result of advances made to them for use in the payment of specified expenses, purchases, etc., in connection with their official duties and for which they will render accountings to the finance representative or other official custodian of funds. It would appear that the Supply and Administrative Officer mentioned in 2.(b) and (c) of your dispatch may fall in this category.

4. Also, it has not been the practice to bond Chiefs of Stations and sub-stations where funds for which they are accountable consist primarily of advances for the operation of their stations.

5. We suggest that you review your situation in the light of the above comments and, if it is determined that consideration should be given to bonding any persons under the above criteria, we shall be glad to give the matter further review upon receipt of their names and other pertinent facts regarding their responsibilities for use and control of funds.

FD/LEB:mct
7 April 1953

C/FE
Releasing Officer

Authenticating Officer

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